

ND STATE FIRE & TORNADO FUND

State Investment Board Balance Sheet As of 6/30/2004

	As of <u>6-30-04</u>	As of <u>6-30-03</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 6,032,528	\$ 4,916,792
INTERNATIONAL EQUITIES	1,955,694	1,673,582
DOMESTIC FIXED INCOME	9,580,246	7,990,919
INVESTED CASH (NOTE 1)	<u>1,939,413</u>	<u>1,625,449</u>
TOTAL INVESTMENTS	19,507,881	16,206,742
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	112,595	130,545
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	3,918,203	1,996,648
DUE FROM OTHER AGENCIES (NOTE 3)	<u>200</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 23,538,879</u>	<u>\$ 18,333,935</u>
LIABILITIES:		
ACCOUNTS PAYABLE	12,823	8,496
SECURITIES LENDING COLLATERAL (NOTE 2)	3,918,203	1,996,648
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>49</u>
TOTAL LIABILITIES	3,931,026	2,005,193
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	16,328,742	13,219,551
CASH IN DURING YEAR (NOTE 5)	3,000,000	4,275,000
CASH OUT DURING YEAR (NOTE 6)	1,550,000	2,350,000
NET INCREASE (DECREASE)	<u>1,829,111</u>	<u>1,184,191</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>19,607,853</u>	<u>16,328,742</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 23,538,879</u>	<u>\$ 18,333,935</u>

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State Investment Board Profit and Loss Statement For the Month Ended 6/30/2004

	Month Ended <u>6-30-04</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 50,403	\$ 595,945
SECURITIES LENDING INCOME	3,959	32,337
	<u>54,362</u>	<u>628,282</u>
 GAIN ON SALE OF INVESTMENTS	 208,164	 2,150,334
LOSS ON SALE OF INVESTMENTS	<u>130,035</u>	<u>1,175,439</u>
 NET GAINS (LOSSES) INVESTMENTS	 78,129	 974,895
 INVESTMENT EXPENSES	 9,199	 48,510
SECURITIES LENDING EXPENSES	3,119	26,151
SIB ADMIN EXPENSES	<u>237</u>	<u>1,751</u>
 NET INVESTMENT INCOME	 119,936	 1,526,765
 NET APPREC (DEPREC) MARKET VALUE	 112,740	 301,620
MISCELLANEOUS INCOME/(EXPENSE)	<u>0</u>	<u>726</u>
 TOTAL INVESTMENT INCOME	 <u>232,676</u>	 <u>1,829,111</u>
 NET INCREASE (DECREASE)	 <u>\$ 232,676</u>	 <u>\$ 1,829,111</u>

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State Investment Board SUPPLEMENTARY INFORMATION As of 6/30/2004

	As of <u>6/30/04</u>
ASSETS:	
INVESTMENTS (AT COST)	
LARGE CAP EQUITY	2,993,096
SMALL CAP EQUITY	857,564
CONVERTIBLE BONDS	<u>1,835,609</u>
TOTAL DOMESTIC EQUITIES	5,686,269
INTERNATIONAL EQUITY	1,756,505
FIXED INCOME	9,661,168
INVESTED CASH (NOTE 1)	<u>1,939,413</u>
TOTAL INVESTMENTS (AT COST)	<u><u>\$19,043,355</u></u>

ND STATE FIRE & TORNADO FUND
Notes to Financial Statements
June 30, 2004

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.